BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

EXPERIMENTAL PRESORTED PRIORITY MAIL RATE CATEGORIES, 2001

Docket No. MC2001-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS KALENKA TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE (OCA/USPS-T3-3 THROUGH 6)

The United States Postal Service hereby provides the responses witness Kalenka to the following interrogatories of the Office of the Consumer Advocate:

OCA/USPS-T3-3 through 5 (filed on April 24, 2001) and OCA/USPS-T3-6 (filed on April 27, 2001).

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

Shell

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Michael T Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2998; Fax -5402 May 4, 2001

OCA/USPS-T3-3.

Please refer to your response to OCA/USPS-T3-1(a). Does ADP possess software other than Group One that has the capability to arrange mailing lists in presort order for pieces mailed at Priority Mail rates? If so, please identify that software and explain.

RESPONSE:

No.

OCA/USPS-T3-4.

Please refer to your testimony at page 7, lines 9-11, where it states, "Finally, on those occasions in the past when ADP has presorted its Priority Mail prior to presenting it to the Postal Service, ADP has noticed an improvement in the speed with which our mailings reach our customers."

- (a) On how many occasions in the past has ADP presorted its Priority Mail prior to presenting it to the Postal Service?
- (b) When was the most recent occasion that ADP presorted its Priority Mail prior to presenting it to the Postal Service?
- (c) On those occasions in the past when ADP has presorted its Priority Mail prior to presenting it to the Postal Service, did ADP utilize Group One or some other software to presort its Priority Mail? Please explain.
- (d) On those occasions in the past when ADP has presorted its Priority Mail prior to presenting it to the Postal Service, what depth of sort did ADP typically achieve? Please explain.
- (e) What prompted ADP on those occasions in the past to presort its Priority Mail prior to presenting it to the Postal Service? Please explain.
- (f) On those occasions in the past when ADP has presorted its Priority Mail prior to presenting it to the Postal Service, did ADP know in advance of presorting that it would obtain an improvement in the speed with which the mailings reached customers? Please explain.

RESPONSE:

- (a) On numerous occasions.
- (b) Last week.
- (c) Yes. Group One.
- (d) Depending on the mailing, we have achieved ADC, 3-digit, and 5-digit depth of sort.

(Response to OCA/USPS-T3-4 continued)

- (e) On a number of occasions in the past year, for instance, local postal officials have requested (to put it mildly) that we presort our larger mailings, in order to improve their ability to process and deliver such mail in a timely fashion. We have complied with their requests.
- (f) Under the circumstances described above, it certainly was our expectation that if we presorted the mailings, as requested by the Postal Service, we had a higher expectation of timely delivery than if we did not presort.

OCA/USPS-T3-5.

Please refer to the Attachment to this interrogatory, which is a copy of an envelope from Firstar Trust Services.

- (a) Are you familiar with Firstar Trust Services and the services provided by this company? Please explain.
- (b) Do you consider Firstar Trust Services to be a competitor of ADP? Please explain.
- (c) The contents and envelope from Firstar Trust Services weighed 12.2 ounces. In your experience, how typical is this weight for proxy material, prospectuses, and annual reports? Please explain.

RESPONSE:

- (a) No.
- (b) I do not have sufficient familiarity with Firstar Trust Services to be able to characterize the organization.
- (c) I have no idea whether such a mailing is typical for Firstar Trust Services.

 ADP Financial Information Services processes proxy statements, annual reports, quarterly reports, and other investor communications for its clients. The "typical" mail piece associated with each mailing we process varies in size and weight, so it is hard to say that any particular weight 12.2 ounces, for instance -- represents the typical mail piece overall.



PRIORITY
MAIL

WWW.usps.gov

PRSRT CINCINNATI OHIC PERMIT NO 8093

PO BOX 2077 MILWAUKEE WI 53201 2077

ADDRESS SERVICE REQUESTED

Attachment to OCA/USPS-T3-5

PROXY MATERIAL ENCLOSED

OCA/USPS-T3-6.

Please refer to your testimony at page 6, lines 12-20.

- (a) According to your testimony, ADP is currently "negotiating with a competitor of the Postal Service for a guaranteed second-day delivery product." Are any of the pieces that are the subject of the negotiations currently mailed at Priority Mail rates? Please explain.
- (b) Please identify and describe with specificity any and all types of mail produced or processed by ADP for which there is a competitive service offered by an entity other than the Postal Service.

RESPONSE:

- (a) Yes.
- (b) ADP Financial Information Services processes proxy statements, annual reports, quarterly reports and other investor communications for which postal competitors exist to transmit and deliver.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Michael T. Tidwell

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